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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, April 28, 1999

APPLICATION OF

FOX RUN WATER COMPANY, INC.

CASE NO. PUE990001

For an amendment to Certificate
of Public Convenience and
Necessity No. W-281 to Include
Water Service at Anchor Cove
Subdivision, The Anchorage
Subdivision, Joyceville Subdivision,
Merrymount Subdivision, Cliffs
on the Roanoke, Waterman's Point
Subdivision, Tanglewood Shores
Golf & Country Club, and Rolling
Acres Subdivision

ORDER INVITING WRITTEN COMMENTS AND REQUESTS FOR HEARING

On March 23, 1999, Fox Run Water Company, Inc. ("Fox Run" or "Company") completed an application for an amendment of its existing certificates of public convenience and necessity to include customers in Anchor Cove Subdivision, The Anchorage Subdivision, Joyceville Subdivision, Merrymount Subdivision, Cliffs on the Roanoke, Waterman's Point Subdivision, Tanglewood Shores Golf & Country Club, and Rolling Acres Subdivision. These subdivisions are located in Mecklenburg, Brunswick, and Greenville counties. In its application, the Company requests authority to provide water service to these territories pursuant

to the Company's tariff, filed with this application. The tariff is as follows:

Water Rates:

1. Water Service Connections:

A. Service connections for all areas or subdivisions listed above, with the exception of Joyceville Subdivision and Merrymount Subdivision:

- a. $\frac{3}{4}$ - 1 inch single family residential service connection - \$1,250.00 plus gross-up for taxes and applicable charges
- b. $\frac{3}{4}$ - 1 inch multi-family residential service connection - \$1,250.00 per residential unit plus gross-up for taxes and applicable charges
- c. Service connection over 1 inch - actual cost to Company plus gross-up for taxes and applicable charges, but in no event less than that for $\frac{3}{4}$ -1 inch connection

B. Service connections for Joyceville Subdivision and Merrymount Subdivision:

- a. $\frac{3}{4}$ - 1 inch single family residential service connection - \$1,500.00 plus gross-up for taxes and applicable charges
- b. $\frac{3}{4}$ - 1 inch multi-family residential unit plus gross-up for taxes and applicable charges
- c. Service connection over 1 inch - actual cost to Company plus gross-up for taxes and applicable charges, but in no event less than that for $\frac{3}{4}$ - 1 inch connection

2. Flat Rate Charges for Water Service:

- A. Single family residential rate - \$15.00 per month
- B. Multi-family residential rate - \$15.00 per month/residential unit
- C. Commercial rate - \$45.00 per month (rate applies to existing connections only)

3. Metered Rate Charges for Water Service:

Metered rates for the areas or subdivisions listed above are not applicable at this time. However, the Company reserves the right to meter and charge for water service upon approval of such metered rates by the Commonwealth of Virginia, State Corporation Commission.

4. Minimum Charges:

There shall be a monthly minimum charge for water service of \$15.00 per connection for single family residential connections, \$15.00 per residential unit for multi-family residential connections, and \$45.00 per connection for commercial connections, and no bill for water service shall be rendered by the Company for less than the aforementioned minimum charges. The minimum monthly charge for water service shall become effective when water service is connected to the lot or parcel of land.

Fox Run charges a customer deposit not to exceed the customer's estimated liability for two months usage, a \$30.00 meter test charge if the meter has no average error greater than two percent, and a \$30 service initiation charge. The service initiation charge is to restore service in the event service has been disconnected for non-payment of any bill. In addition, Fox Run has a bad check charge of \$6.00 and a late payment fee of 1 ½% per month on any customer charges not timely paid.

The Company's tariff with its rules and regulations of service may be reviewed during regular business hours at the Commission's Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia and at the Company's office located at 2478 Alvis Road, Blackridge,

Virginia 23950, during the hours of 8:00 a.m.-5:00 p.m., Monday through Friday.

The Company also requests that the Commission approve the Company's acquisition of all the utility assets relating the production, transmission and/or distribution of water, and all control, rights and privileges associated with ownership of such utility assets located within the above-mentioned territories. The Commission will deal with this request in a separate docket.

NOW THE COMMISSION, having considered Fox Run's application, is of the opinion and finds that this application should be docketed, that the Staff should investigate and analyze the application and present its recommendations to the Commission, and that the public should have an opportunity to comment and request a hearing on the application. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUE990001.

(2) The Company shall make a copy of its application and exhibits available for public inspection at the office of Fox Run Water Company, 2478 Alvis Road, Blackridge, Virginia 23950, during the hours of 8:00 a.m.-5:00 p.m., Monday through Friday.

(3) Any interested person wishing to comment on the application shall, on or before June 25, 1999, address such comments to: Joel H. Peck, Clerk, State Corporation Commission,

c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE990001. A copy of such comments shall be simultaneously sent to the Company as follows: Bernard A. Nash, President, Fox Run Water Company, P.O. Box 69, Ebony, Virginia 23845.

(4) On or before June 25, 1999, any person desiring a hearing in this matter shall file a request for hearing in writing with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer in his or her request to Case No. PUE990001. A copy of such request shall be simultaneously sent to the Company as follows: Bernard A. Nash, President, Fox Run Water Company, P.O. Box 69, Ebony, Virginia 23845.

(5) Appropriate members of the Commission's Staff shall review the application and shall submit, on or before September 14, 1999, a report presenting their findings and recommendations.

(6) On or before June 11, 1999, the Company shall mail the following notice (bill inserts are acceptable) to all of its customers located in Mecklenburg County, Brunswick County, and Greenville County.

NOTICE OF APPLICATION
TO AMEND ITS CERTIFICATES OF
PUBLIC CONVENIENCE AND NECESSITY
CASE NO. PUE990001

Notice is hereby given that Fox Run Water Company ("Fox Run" or "the Company") has applied to the State Corporation Commission to amend its certificates of public convenience and necessity. In its application, the Company requests authority to provide water service to customers in Anchor Cove Subdivision, The Anchorage Subdivision, Joyceville Subdivision, Merrymount Subdivision, Cliffs on the Roanoke, Tanglewood Shores Golf and Country Club, Waterman's Point Subdivision, and Rolling Acres Subdivision pursuant to the Company's tariff, filed with this application. The tariff is as follows:

Water Rates:

1. Water Service Connections:
 - A. Service connections for all areas or subdivisions listed above, with the exception of Joyceville Subdivision and Merrymount Subdivision:
 - a. $\frac{3}{4}$ - 1 inch single family residential service connection - \$1,250.00 plus gross-up for taxes and applicable charges
 - b. $\frac{3}{4}$ - 1 inch multi-family residential service connection - \$1,250.00 per residential unit plus gross-up for taxes and applicable charges
 - c. Service connection over 1 inch - actual cost to Company plus gross-up for taxes and applicable charges, but in no event less than that for $\frac{3}{4}$ -1 inch connection
 - B. Service connections for Joyceville Subdivision and Merrymount Subdivision:

- a. $\frac{3}{4}$ - 1 inch single family residential service connection - \$1,500.00 plus gross-up for taxes and applicable charges
- b. $\frac{3}{4}$ - 1 inch multi-family residential unit plus gross-up for taxes and applicable charges
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2. Flat Rate Charges for Water Service:

- A. Single family residential rate - \$15.00 per month
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- C. Commercial rate - \$45.00 per month (rate applies to existing connections only)

3. Metered Rate Charges for Water Service:

Metered rates for the areas or subdivisions listed above are not applicable at this time. However, the Company reserves the right to meter and charge for water service upon approval of such metered rates by the Commonwealth of Virginia, State Corporation Commission.

4. Minimum Charges:

There shall be a monthly minimum charge for water service of \$15.00 per connection for single family residential connections, \$15.00 per residential unit for multi-family residential connections, and \$45.00 per connection for commercial connections,

and no bill for water service shall be rendered by the Company for less than the aforementioned minimum charges. The minimum monthly charge for water service shall become effective when water service is connected to the lot or parcel of land.

Fox Run charges a customer deposit not to exceed the customer's estimated liability for two months usage, a \$30.00 meter test charge if the meter has no average error greater than two percent, and a \$30 service initiation charge. The service initiation charge is to restore service in the event service has been disconnected for non-payment of any bill. In addition, Fox Run has a bad check charge of \$6.00 and a late payment fee of 1 ½ % per month on any customer charges not timely paid. The Company has filed its rules and regulations of service as part of its application, the details of which may be reviewed by interested parties.

A copy of Fox Run's application is available for public inspection at the Company's office located at 2478 Alvis Road, Blackridge, Virginia 23950, during the hours of 8:00 a.m.-5:00 p.m., Monday through Friday. The application is also available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m. at the State Corporation Commission, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

Comments on this application must be submitted to the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218 on or before June 25, 1999. Requests for hearing must also be received by the Clerk on or before June 25, 1999. All correspondence should refer to Case No. PUE990001. A copy of the comments or requests for hearing must also be sent to

the Company as follows: Bernard A. Nash,
President, Fox Run Water Company, P.O. Box
69, Ebony, Virginia 23845.

If no requests for hearing are
received, a formal hearing with oral
testimony may not be held.

FOX RUN WATER COMPANY

(7) The Company shall serve a copy of this Order on the
Chair of the Board of Supervisors of any county and upon the
Mayor or Manager of any county, city, or town (or equivalent
officials in counties, towns and cities having alternative forms
of government) lying within the Company's service area. Service
shall be made by first-class mail or delivery to the customary
place of business or residence of the person served.

(8) On or before June 25, 1999, the Company shall provide
the Commission with the proof of notice required in Ordering
Paragraphs (6) and (7).